## REMARKS

The last Office Action has been carefully considered.

It is noted that claims 1, 2, 14, 17and 20-22 are rejected under 35 U.S.C. 102(b) over the patent to Murayama.

Claims 3-6, 8-13, 18 and 19 are rejected under 35 U.S.C. 103(a) over the patent to Murayama in view of the patent to Wu.

Claim 15 is rejected under 35 U.S.C. 103(a) over the patent to Murayama in view of the patent to Wu.

At the same time claim 7 is not rejected over the art.

The Examiner's indication of the allowability of claim 7 has been gratefully acknowledged. In connection with this claim 7 has been canceled and a new claim 23 has been submitted which combines the features of the original claims 1, 5, 6, and 7. It is believed that this claim is now in allowable condition.

After carefully considering the Examiner's grounds for the rejection of the claims over the art, applicants respectfully submit the new features of the present invention as defined in the independent claims 1, 2, 17 and 20 are not disclosed in the references and can not be derived from them as a matter of obviousness.

The patent to Murayama applied by the Examiner discloses a solution which does select different standard resolution by using a selection key. However, the patent to Murayama does not disclose or suggest to perform a reduction of a coding format in dependence on a capacity parameter being reached or exceeded. However, this particular feature is an important feature of the present invention, both for the method of coding an image sequence and for the coding device of the invention.

It is therefore believed to be clear that the new features of the present invention are not disclosed in the patent to Murayama taken singly.

The Examiner rejected the original claims over this reference under 35 U.S.C. 102(b) as being anticipated. In connection with this, applicants wish to recite the decision in re Lindemann Maschinenfabrik

GmbH v. American Hoist & Derrick Co., 221 USPQ 481, 485 (Fed. Cir. 1984) in which it was stated:

> "Anticipation requires the presence in a single prior art reference disclosure of each and every element of the claimed invention, arranged as in the claim."

Definitely, the patent to Murayama does not disclose each and every element defined in the independent claims.

In view of this, it is believed that the anticipation rejection of the present invention based on the patent to Murayama should be considered as no longer tenable and should be withdrawn.

Turning now to the secondary reference, in particular the patent to Wu, it can be seen that the solution disclosed in this reference does control the buffer filling state and does filter the image. However, the patent to Wu neither shows nor suggests any relation between the buffer filling state and the degree of filtering.

While it is believed that a combination of the teachings of the patents to Murayama and Wu can not be considered as obvious, it is respectfully submitted that even if such a combination is made by a person

skilled in the art for unknown reasons, this would not lead to the applicant's invention, because the incorporation of the control of the buffer filling state taught by the patent to Wu into the device or method disclosed in the patent to Murayama does not suggest to use the control signal of the buffer filling state as the selection criteria for the resolution of the coding format.

It is believed that the device disclosed in the patent to Wu rather turns away from the present invention, instead of directing a person skilled in the art to the present invention as defined in the claims.

It is therefore believed that the rejection of some original claims over the combination of the patents to Murayama and Wu under 35 U.S.C. 103(a) should be considered as no longer tenable and should be withdrawn.

The same arguments are applicable with respect to the Examiner's rejection of claim 15 over the combination of the teaching of the patents to Murayama and Wu. Such a combination would not lead to the applicant's invention as defined in the independent claims.

In view of the above presented remarks and amendments, it is respectfully submitted that the claims currently on file should be considered as patentably distinguishing over the art and should be allowed.

Reconsideration and allowance of the present application is most respectfully requested.

Should the Examiner require or consider it advisable that the specification, claims and/or drawings be further amended or corrected in formal respects in order to place this case in condition for final allowance, then it is respectfully requested that such amendments or corrections be carried out by Examiner's Amendment, and the case be passed to issue. Alternatively, should the Examiner feel that a personal discussion might be helpful in advancing this case to allowance, he is invited to telephone the undersigned (at 631-549-4700).

Respectfully submitted,

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